

POLICY ISSUE

No: 3

Policy Question

Should OP make the final computation of the annuity benefit and then send the figure to OF for payment?

Working Group Recommendation

The Working Group recommends that OP be given the responsibility for making final computations.

Rationale

If OP computes estimates and then OF makes the final computation, there would be an unnecessary duplication of effort. The accuracy of OP's computations could be tested through double checks or spot checks within that Office.

POLICY ISSUE

No: 7

Policy Question

Should employees who were once designated as CIARDS participants and then resigned and later returned be automatically redesignated into CIARDS?

Working Group Recommendation

The Working Group recommends that these employees be automatically redesignated into CIARDS by means of a personnel action initiated by the component personnel officer, provided that applicable service agreements are signed.

Rationale

These employees, in addition to being vested in the current retirement system due to at least five years of federal service, would already have the qualifying service required under CIARDS. They have earned the right to earlier retirement and a higher accrual rate. The CIARDS Board meets monthly to make a designation based on overseas service or to recommend a designation based on domestic service. To require a new designation could result in unnecessary delay as well as a duplicate expenditure of resources.

POLICY ISSUE

No: 8

Policy Question - FYI For D/PERS

Should the CIARDS Board also administer designation into the FERS CIA Special Category?

Working Group Recommendation

The Working Group recommends that the CIARDS Board also administer designation into the FERS CIA Special Category.

Rationale

Because the criteria for designation into the FERS CIA Special Category is identical to that for designation into CIARDS, we recommend that the CIARDS Board administer designation into both. This will ensure uniform application of the criteria and will not result in an increased workload for the Board.

OGC is studying to determine whether Agency can legally preclude transfer.

POLICY ISSUE

No: 9

Policy Question

Should CIARDS participants be allowed to transfer into regular FERS?

Working Group Recommendation

The Working Group recommends that CIARDS participants be restricted from transferring into regular FERS.

Rationale

This type of transfer would enable employees to receive the higher accrual rates under CIARDS for most of their career, while allowing them to circumvent the mandatory retirement age (60). While the FERS Act does not specifically prohibit transfers from CIARDS into regular FERS, we could write such a restriction into our regulations. Such a restriction would seem to be within the intent of Congress, as the FERS CIA Special Category (CIARDS equivalent) also has the mandatory retirement requirement at age 60. Those in CIARDS who wish to transfer should transfer into the FERS CIA Special Category.

POLICY ISSUE

No: 10

Policy Question

If an employee performed overseas service under CSRS and then left Federal employment before becoming vested in CSRS, can the overseas service under CSRS be applied to the 5 years of qualifying service required for participation in the FERS CIA Special Category?

Working Group Recommendation

The Working Group recommends that overseas service under CSRS be counted as qualifying service for the FERS CIA Special Category.

Rationale

The definition of "qualifying service" for the FERS CIA Special Category is identical to that for CIARDS. Both systems rely on the criteria outlined in Section 203 of the CIA Retirement Act of 1964 to make a determination of "qualifying service." Therefore, such service should be applicable to both CIARDS and the FERS CIA Special Category.